

## Article - Education

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§5–315.

(a) In this section, “Fund” means the Local Share of School Construction Costs Revolving Loan Fund.

(b) There is a Local Share of School Construction Costs Revolving Loan Fund.

(c) The purpose of the Fund is to provide loans to local governments to forward fund the local share of school construction costs for local education agencies that rely on the local share to be fully funded in order to complete a project.

(d) The Interagency Commission shall administer the Fund.

(e) (1) The Fund is a special, nonlapsing fund that is not subject to § 7–302 of the State Finance and Procurement Article that shall be available in perpetuity for the purpose of providing loans in accordance with the provisions of this section.

(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.

(f) The Fund consists of:

- (1) Money appropriated in the State budget to the Fund;
- (2) Any interest earnings of the Fund;
- (3) Repayments of principal and interest from loans made from the Fund; and
- (4) Any other money from any other source accepted for the benefit of the Fund.

(g) The Fund may be used only to provide low– or no–interest loans to local governments.

(h) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any interest earnings of the Fund shall be credited to the Fund.

(i) Money expended from the Fund is supplemental to and is not intended to take the place of funding that otherwise would be appropriated to local governments for school construction.

(j) (1) Subject to paragraph (2) of this subsection, the Interagency Commission shall establish application procedures and eligibility criteria for loans from the Fund.

(2) The eligibility criteria shall include that a local government is:

(i) In need of a loan to forward fund the local share of school construction costs in order to complete a project; and

(ii) Able to demonstrate the ability to repay the loan if required at a later date.

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